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Alustil Sdn Bhd v Vitally Sdn Bhd

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HIGH COURT (KUALA LUMPUR) — SUIT NO WA-22IP-36-05 OF
2019
WONG CHEE LIN J
25 OCTOBER 2019

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Copyright — Infringement — Ownership of copyright — Claim for copyright infringement in respect of work which was subject matter of registered industrial design — Whether plaintiff could maintain action — Whether s 7(5) of Copyright Act 1987 operated to bar plaintiff from claiming copyright — Copyright Act 1987 ss 7(5) & 13B

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The defendant had filed an application seeking for an order under O 14A of the Rules of Court 2012 for the determination of two specific questions of law ie: (a) in light of s 7(5) of the Copyright Act 1987 (‘the Act’) whether the plaintiff could maintain the present action which was premised upon a claim for copyright infringement in respect of an alleged work which was the subject matter of an industrial design registered in the name of the plaintiff; and (b) whether s 7(5) of the Act operated to bar the plaintiff from claiming any copyright in the alleged ‘works’ of the plaintiff in view of the existence of the plaintiff’s registered industrial design registered pursuant to the Industrial Designs Act 1996. The plaintiff submitted that the dispute between the parties arose when the plaintiff discovered that the defendant had copied, reproduced and offered for sale one of the plaintiff’s key component products, the plaintiff’s ‘shelf profile’. The rights on which the plaintiff premised its claim against the defendant was that the plaintiff had independently devised two sets of technical drawings, which were artistic works eligible for copyright. The plaintiff was also the proprietor of a registered industrial design, a part of the whole integrated structure of the plaintiff’s shelf profile. The plaintiff claimed that the whole integrated structure of the plaintiff’s shelf profile qualified as copyrighted works and the defendant had infringed them. The plaintiff submitted that there were disputes of fact and therefore, the case was not appropriate for a question of law to be determined at an interlocutory stage.

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Held, answering the first question in the negative:

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- (1) The plaintiff had a valid registered design which the defendant was not seeking to invalidate in these proceedings. The plaintiff need not first prove that the defendant had infringed its copyright before the question of law could be determined. Therefore the issue was whether the plaintiff could claim dual protection in copyright and design law and it was not a

pre-requisite for the plaintiff to first establish an infringement of copyright. As such, any dispute of fact was not relevant and not necessary for the determination of the questions of law posed by the defendant (see paras 27–29).

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- (2) As long as what the defendant was alleged to have infringed was covered by a registered design and thus excluded from copyright protection, it was irrelevant even if the plaintiff had a copyright that was larger in scope than the registered design. However, since the plaintiff was contending that its registered design was narrower in scope than its alleged copyrighted works, the second question of law was not appropriate. Hence the second question of law was withdrawn from the consideration of the court (see para 35).

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- (3) Section 13B of the Act provided the effect of exploitation of a design derived from artistic work. The fact that the plaintiff had registered its alleged works as industrial design took the said works or designs out of the scope of s 13B of the Act (see paras 37 & 39).

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- (4) In light of s 7(5) of the Act, the plaintiff could not maintain the present action which was premised upon a claim for copyright infringement in respect of an alleged work which was the subject matter of an industrial design registered in the name of the plaintiff. The plaintiff had pleaded that the shape and configuration of the defendant's 'infringing shelf profile' were the same as or substantially identical to the plaintiff's registered industrial design. Since there was no dual protection under design and copyright laws, the plaintiff could not maintain an action for copyright infringement in respect of the defendant's 'infringing shelf profile' (see paras 45–46).

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[Bahasa Malaysia summary]

Defendan telah memfailkan permohonan untuk memohon perintah di bawah A 14A Kaedah-Kaedah Mahkamah 2012 untuk penentuan dua persoalan undang-undang khusus iaitu: (a) berdasarkan s 7(5) Akta Hak Cipta 1987 ('Akta') sama ada plaintif dapat meneruskan tindakan ini yang didasarkan pada tuntutan pelanggaran hak cipta berkenaan dengan karya yang didakwa yang menjadi subjek reka bentuk industri yang didaftarkan atas nama plaintif; dan (b) sama ada s 7(5) Akta berfungsi untuk menghalang plaintif daripada menuntut hak cipta dalam 'karya' plaintif yang didakwa memandangkan adanya reka bentuk industri yang didaftarkan oleh plaintif yang didaftarkan menurut Akta Reka Bentuk Perindustrian 1996. Plaintif berhujah bahawa perselisihan antara pihak-pihak timbul ketika plaintif mendapati bahawa defendan telah meniru, menghasilkan semula dan menawarkan untuk menjual salah satu produk komponen utama plaintif, 'profil rak' plaintif. Hak-hak di mana plaintif mengemukakan tuntutan terhadap defendan adalah bahawa plaintif dengan sendiri merangka dua set lukisan teknikal, yang merupakan

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- A karya seni yang berhak mendapat hak cipta. Plaintiff juga merupakan pemilik reka bentuk industri berdaftar, sebahagian daripada keseluruhan struktur bersepadu profil rak plaintiff. Plaintiff mendakwa bahawa keseluruhan struktur bersepadu profil rak plaintiff layak sebagai karya hak cipta dan defendan telah melanggar. Plaintiff berhujah bahawa terdapat perselisihan fakta dan oleh
- B itu, kes tidak sesuai untuk persoalan undang-undang dapat ditentukan pada peringkat interlokutori.

Diputuskan, menjawab soalan pertama secara negatif:

- C (1) Plaintiff mempunyai reka bentuk berdaftar yang sah yang tidak ingin dibatalkan oleh defendan dalam proses ini. Plaintiff tidak perlu terlebih dahulu membuktikan bahawa defendan telah melanggar hak cipta sebelum persoalan undang-undang dapat ditentukan. Oleh itu, isu adalah sama ada plaintiff dapat menuntut perlindungan berganda dalam
- D undang-undang hak cipta dan reka bentuk dan ia bukan prasyarat bagi plaintiff untuk pertama kali membuktikan pelanggaran hak cipta. Dengan demikian, setiap pertikaian fakta tidak relevan dan tidak perlu untuk menentukan persoalan undang-undang yang diajukan oleh defendan (lihat perenggan 27–29).
- E (2) Selagi apa yang didakwa dilanggar oleh defendan dilindungi oleh reka bentuk berdaftar dan dengan demikian tidak termasuk dalam perlindungan hak cipta, ia tidak relevan bahkan jika plaintiff memiliki hak cipta yang lebih luas daripada reka bentuk berdaftar. Namun, kerana
- F plaintiff berpendapat bahawa reka bentuknya yang didaftarkan lebih kecil daripada karya yang didakwa dilindungi hak cipta, persoalan undang-undang kedua tidak sesuai. Oleh itu, persoalan undang-undang kedua ditarik dari pertimbangan mahkamah (lihat perenggan 35).
- G (3) Seksyen 13B Akta memberikan kesan eksploitasi reka bentuk yang berasal dari karya seni. Fakta bahawa plaintiff telah mendaftarkan karya yang dikatakannya sebagai reka bentuk industri mengeluarkan karya atau reka bentuk tersebut keluar dari skop s 13B Akta (lihat perenggan 37 & 39).
- H (4) Berdasarkan s 7(5) Akta, plaintiff tidak dapat meneruskan tindakan ini yang didasarkan pada tuntutan pelanggaran hak cipta sehubungan dengan karya yang didakwa yang merupakan subjek reka bentuk industri yang didaftarkan atas nama plaintiff. Plaintiff telah mengaku bahawa bentuk dan konfigurasi ‘pelanggaran profil rak’ defendan adalah sama
- I atau pada dasarnya serupa dengan reka bentuk industri yang didaftarkan oleh plaintiff. Oleh kerana tidak ada perlindungan berganda di bawah undang-undang reka bentuk dan hak cipta, plaintiff tidak dapat meneruskan tindakan atas pelanggaran hak cipta sehubungan dengan ‘pelanggaran profil rak’ defendan (lihat perenggan 45–46).]

Cases referred to

Dura-Mine Sdn Bhd v Elster Metering Ltd & Anor [2015] 3 MLJ 1; [2015] 1 CLJ 887, FC (refd) A

Honda Giken Kogyo Kabushiki Kaisha (also known as 'Honda Motor Co, Ltd') v DNC Asiatic Holdings Sdn Bhd & Ors and another suit [2018] 9 MLJ 251; [2018] 9 CLJ 229, HC (refd) B

Kerajaan Negeri Kelantan v Petroliaam Nasional Bhd and other appeals [2014] 6 MLJ 31; [2014] 7 CLJ 597, FC (refd)

Oh Boon Thiam v Yan Ming Agricultural Sdn Bhd (Oh Yoke Choon & Anor, third party) [2017] 8 MLJ 265; [2016] 1 CLJ 158, HC (refd) C

Shong Mor Sdn Bhd v Cayman Development (Kedah) Sdn Bhd & Ors [2009] 9 MLJ 175, HC (refd)

Sumner v William Henderson & Sons Ltd [1963] 2 All ER 712, CA (refd)

Thein Hong Teck & Ors v Mohd Afrizan bin Husain and another appeal [2012] 2 MLJ 299; [2012] 1 CLJ 49, FC (refd) D

Theow Say Kow @ Teoh Kiang Seng, Henry & Anor v Teoh Kiang Hong & Ors and another suit [2014] 9 MLJ 32; [2013] 1 LNS 1383, HC (refd)

Legislation referred to

Copyright Act 1987 s 7(5) E

Industrial Designs Act 1996

Rules of Court 2012 O 14A

Najihah Rozlan (Timothy Joseph with her) (Miranda & Samuel) for the plaintiff. Cassandra Chung Li Hooi (Choon Hon Leng and Leong Ooi Ling with her) (Raja, Darryl & Loh) for the defendant. F

Wong Chee Lin J:**JUDGMENT**

[1] The defendant has filed an application seeking for an order under O 14A of the Rules of Court 2012 for the determination of two specific questions of law and the appropriate consequential orders resulting from such determination. The questions of law posed by the defendant in the application are as follows: G

(a) question No 1:

In light of Section 7(5) of the Copyright Act 1987 whether the Plaintiff can maintain the present action which is premised upon a claim for copyright infringement in respect of an alleged work (or part of it) which is the subject matter of an industrial design registered in the name of the Plaintiff. H

(b) question No 2:

Whether Section 7(5) of the Copyright Act 1987 operates to bar the Plaintiff I

- A** from claiming any copyright in the alleged ‘Works’ of the Plaintiff in view of the existence of the Plaintiff’s registered industrial design bearing Registration No MY 14-00832-0101 (‘Plaintiff’s Registered Design’) registered pursuant to the Industrial Designs Act 1996.
- B** [2] There is no dispute that the cause of action pleaded against the defendant is for breach of copyright.
- C** [3] The subject matter of the alleged infringement is the plaintiff’s following artistic works which are defined as ‘works’ in para 3 of the statement of claim:
- The technical drawings of its ‘part of frame and shelves’ (hereafter referred as ‘shelf profile’); and
- The three dimensional form of its shelf profile.
- D** [4] Based on the statement of claim, the plaintiff’s pleaded case is as follows:
- E** (a) the plaintiff owns the copyright in the ‘works’;
- (b) the defendant’s ‘infringing shelf profile’ as defined in the statement of claim constitutes infringement of the plaintiff’s copyright in the ‘works’;
- F** (c) the shape and configuration of the defendant’s ‘infringing shelf profile’ are the same as or substantially copy that of the ‘works’;
- (d) the shape and configuration of the defendant’s ‘infringing shelf profile’ are the same as or substantially identical to the plaintiff’s registered industrial design No MY14-00832-0101 (‘plaintiff’s registered design’); and
- (e) the plaintiff’s registered design is a validly subsisting registered industrial design.
- G** [5] From the above, the defendant’s point is this:
- (a) the plaintiff’s pleaded cause of action is that the defendant’s ‘infringing shelf profile’ has infringed the plaintiff’s purported copyright;
- H** (b) at the same time, it is also pleaded that the defendant’s ‘infringing shelf profile’ is the same or substantially the same as the plaintiff’s registered design;
- (c) in other words, based on the plaintiff’s own pleadings, the work which the plaintiff claims copyright over and sues for infringement is actually
- I** the same or substantially the same as the work that has been registered as the plaintiff’s registered design; and
- (d) by operation of s 7(5) of the Copyright Act 1987, this action which is premised solely upon copyright infringement is not maintainable.

- [6] Order 14A of the Rules of Court 2012 reads as follows: A
- (a) the court may upon the application of a party or of its own motion determine any question of law or construction of any document arising in any cause or matter at any stage of the proceedings where it appears to the court that: B
- (i) such question is suitable for determination without the full trial of the auction; and
- (ii) such determination will finally determine the entire cause or matter or any claim or issue therein; and C
- (b) upon such determination the court may dismiss the cause or matter or make such order or judgment as it thinks just.
- [7] In the case of *Kerajaan Negeri Kelantan v Petroliam Nasional Bhd and other appeals* [2014] 6 MLJ 31; [2014] 7 CLJ 597, the Federal Court held as follows: D
- [36] It is well settled that an issue is only suitable for determination under O 14A if the points of law to be determined thereunder have been stated in clear and precise terms and the facts disclosed by the pleadings and affidavit evidence are sufficient for the court to make such determination which would be final as to the entire cause or matter (see *Allen v Gulf Oil Refining Ltd* [1980] QB 156 and *Seloga Jaya Sdn bhd v. UEM Genisys Sdn Bhd* [2008] 2 CLJ 686). The trial judge is therefore vested with the discretion to rely on the pleadings or to rely on affidavit evidence before him to determine whether the matter is suitable for determination without full trial of the action (see *Dream Property Sdn Bhd v Atlas Housing Sdn Bhd*). E
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- [8] It is submitted on behalf of the defendant that the questions of law posed in this application are suitable for determination under O 14A of the Rules of Court 2012 for the following reasons: G
- (a) this application relies on the plaintiff's own pleaded facts as contained in the statement of claim. There is no necessity to rely on other facts or controversial or disputed facts;
- (b) these facts are pleaded in a clear and unambiguous manner; H
- (c) the two questions of law posed are properly and clearly framed. The questions relate to the interpretation of a specific provision found in the Copyright Act 1987; and
- (d) if either of the two questions of law posed is answered in the defendant's favour, it will then dispose of this action. I
- [9] The two questions of law posed by the defendant in this application relate to the interpretation of s 7(5) of the Copyright Act 1987.

- A** [10] Section 7(5) of the Copyright Act 1987 reads as follows:
- Copyright shall not subsist under this Act in any design which is registered under any written law relating to industrial design.
- B** [11] It is submitted for the defendant that the words in s 7(5) of the Copyright Act 1987 are clear and unambiguous. If a design is registered as an industrial design under the Industrial Designs Act 1996, then there is NO copyright. It is as clear and plain as that.
- C** [12] In the present case, since the plaintiff has pleaded that the defendant's 'infringing shelf profile' is the same as the plaintiff's registered design, obviously the plaintiff cannot also claim copyright over the same design.
- D** [13] The case of *Oh Boon Thiam v Yan Ming Agricultural Sdn Bhd (Oh Yoke Choon & Anor, third party)* [2017] 8 MLJ 265; [2016] 1 CLJ 158 is a case on point. In that case:
- E** (a) the plaintiff brought an action against the defendant for a declaration that his sprinkler and clipper were protected under the Copyright Act 1987 and for damages. The plaintiff had also registered the design under the Industrial Designs Act 1996;
- F** (b) the defendant commenced third party proceedings against a third party for indemnification on the ground that the defendant had purchased the water sprinklers and clippers from the third party; and
- (c) the third party then filed an application under O 14A of the Rules of Court 2012 seeking for the court's determination of the following question of law:
- G** Whether the plaintiff was barred by s 7(5) of the Copyright Act 1987 from seeking copyright protection for his registered designs under the Industrial Designs Act 1987.
- H** [14] The High Court held that s 7(5) of the Copyright Act 1987 operates to bar the plaintiff's claim in copyright and therefore dismissed the plaintiff's claim. The High Court found that:
- [24] Since the plaintiff's designs have been registered under the Industrial Designs Act, it is clear that the plaintiff was himself of the view that his drawings of those two designs were of 'industrial designs' and not 'artistic works' within the definition of s 7(1) of the Copyright Act which sets out the list of works eligible for copyright protection. The fact that the Registrar of Industrial Designs had found fit to accept the plaintiff's designs for registration further confirms that they are indeed industrial designs.
- I** [25] The provisions of a sub-s 5 of s 7 itself, leave no room for doubt that once the

- owner of a design has elected to regard his design as an industrial design and obtain protection by way of registration under the Industrial Designs Act 1996, no copyright of the design can subsist under the Copyright Act 1987. A
- [26] This position is in fact further clarified by s 13A(1)(a) of the Copyright Act which specifically excludes the making of an article to the design (of a design document), or to copy or to reproduce an article made to the design from being regarded as an infringement of any copyright. B
- [27] *En passant*, it must be highlighted that the wordings of s 13B of the Copyright Act restricts its application to 'artistic work' — which the industrial designs in this case are not. Thus, s 13B serves to protect the copyright in artistic works for a period of 25 years and does not assist the plaintiff in this case. Common examples of artistic works covered under s 13B would be famous dolls such as 'Barbie' dolls or 'Hello Kitty' dolls — which would not be registrable under the Industrial Designs Act. C
- [28] I therefore hold that it is clear that pursuant to s 7(5) registered designs are excluded from copyright. Section 13B does not avail the plaintiff as it applies only to drawings that are artistic works. The determination of s 7(5) in favour of the defendants and the third parties renders the plaintiff's action for copyright unmaintainable. D
- [15] The defendant submitted that *Oh Boon Thiam* is on all fours with the present case. In fact, even the question of law posed in that case is remarkably similar to the two questions of law posed here. They all centred around the interpretation of s 7(5) of the Copyright Act 1987, which is really clear, unambiguous and not capable of any other interpretation other than what it literally means. E F
- [16] The plaintiff submitted that the dispute between the parties arose when the plaintiff discovered that the defendant had copied, reproduced and offered for sale one of the plaintiff's key component products, the plaintiff's 'shelf profile' which comprises of: (a) a slider with pre-formed key slots; (b) a shelving bracket in an 'L' shape; and (c) an aluminium spline. All three components form a unit and are inseparable. They are integrated as a whole and are desired to be used in furniture related products, namely: shoe racks and cabinets. G
- [17] The rights on which the plaintiff premised its claim against the defendant is that the plaintiff had independently devised two sets of technical drawings and they are namely: (a) the drawing of a slider with pre-formed key slots; and (b) a shelving bracket in an 'L' shape. H
- [18] It is submitted for the plaintiff that technical drawings are artistic works eligible for copyright, as decided by the Federal Court in *Dura-Mine Sdn Bhd v Elster Metering Ltd & Anor* [2015] 3 MLJ 1; [2015] 1 CLJ 887 at para [14]. Therefore, the plaintiff takes the position that each of its technical drawings are independent artistic works that are eligible for copyright protection. I

A Accordingly, the defendant had infringed the plaintiff's copyrighted works.

[19] The plaintiff is also the proprietor of a registered industrial design under No MY14-00832-0101. The plaintiff says that the plaintiff's registered industrial design is only part of the whole integrated structure of the plaintiff's shelf profile.

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[20] The plaintiff says that its technical drawings namely the shelving bracket in an 'L' shape is not subject to any registered industrial design as a standalone and its technical drawings namely the slider with pre-formed key slots is not subject to any protection via the registered industrial design as a standalone. While the plaintiff's registered industrial design may capture some features of the plaintiff's slider with pre-formed slot, the whole integrated structure of the plaintiff's shelf profile is not subject to any registered industrial design. In essence, the plaintiff claims that the whole integrated structure of the plaintiff's shelf profile qualifies as copyrighted works and the defendant had infringed the plaintiff's copyrighted works.

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[21] It is submitted for the plaintiff that there are disputes of fact in this case and this case is not appropriate for a question of law to be determined at an interlocutory stage. The plaintiff relied on certain authorities.

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[22] In *Sumner v William Henderson & Sons Ltd* [1963] 2 All ER 712, the English Court of Appeal held:

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... It is highly undesirable that the court should be constrained to tie itself in so many knots, and in the end merely say: 'well, if this was thus, then what was so'

In the present case no facts have been agreed and what the outcome of the evidence will be is most uncertain. It does not seem to us in the interest of either party that a hypothetical decision should be reached now. It might tie one or the other of the parties to a decision with the facts might reveal as erroneous.

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[23] In *Shong Mor Sdn Bhd v Cayman Development (Kedah) Sdn Bhd & Ors* [2009] 9 MLJ 175, it was held:

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[25] Pursuant to these averments on trespass, D3 had denied. In his defence, D3 pleaded:

(i) D3 denied having trespassed the said property

[26] There is, therefore, a dispute on the issue of trespass in the said property. This dispute was certainly a question of fact. If a question of fact is involved, it is inappropriate or unsuitable to have recourse to O 14A. In *Dream Property Sdn Bhd v Atlas Housing Sdn Bhd* [2008] 2 MLJ 812; Zainun Ali JCA (the majority decision) had cited the English case of *Mohamed v Alaga & Co (a firm)* [1998] 2 All ER 720 where Lightman J succinctly said the following words:

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... Under O 14A, the court can decide any question of law at any stage of the proceedings if that question is suitable for determination without a full trial of the action and such determination will finally determine the entire action or any claim or issue therein. Order 14A is accordingly not apt for determining a question which involves a question of fact.

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[24] In *Thein Hong Teck & Ors v Mohd Afrizan bin Husain and another appeal* [2012] 2 MLJ 299; [2012] 1 CLJ 49, the Federal Court in strong terms held that:

It was trite law that O 14A of the RHC could only be resorted to if there was no dispute by the parties as to the relevant facts, or the court concluded that the material facts were not in dispute. In the present case there were serious disputed facts involved and these issues of fact were interwoven with the legal issues raised. As such the Court of Appeal was correct in finding that O 14A of the RHC was not suitable for the purpose of determining the applicability of s 314 of the Act to the partnership in the present case.

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[25] The particulars of the disputed facts stated by the plaintiff are as follows:

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(a) the defendant's response to the plaintiff's letter of demand dated 26 November 2018:

Para 3: Further, our client also takes the view that your client's said registered design is not valid and subsisting design under the Industrial Designs Act 1996 ('the IDA') as your client's said registered design is, inter alia, a design that consists of features of shape or configuration which are dictated solely by the function for which it is to perform and therefore does not qualify as an 'industrial design' which can be registered under the IDA. Such invalid registrations can therefore be subject to an application to rectify the industrial design register to revoke and/or expunge the same.

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Para 4: In light of the matters aforesaid, should your client insist on pursuing the matter by way of court action, our client intends to defend themselves against the action while at the same time issue a counterclaim to rectify the register to revoke and/or expunge your client's said registered industrial design;

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(b) the defendant's statement of defence ('SOD') dated 7 June 2019:

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Para 3: The defendant disputes the subsistence of copyright in the alleged works of the plaintiff.

- A** Para 6: Premised upon the matters pleaded in paras 3–5 above, the defendant denies paras 4–5 of the statement of claim. The plaintiff is put to strict proof thereof.
- B** Para 9.3(a): The defendant denies having committed any acts of infringement against the copyright in the alleged works of the plaintiff;
- Para 9.3(b): The defendant denies having caused, enabled, permitted, assisted or procured any acts of infringement against the copyright in the alleged works of the plaintiff;
- C**
- Para 9.3(c): The defendant denies that the defendant’s ‘infringing shelf profile’ (as defined in the statement of claim and shown in Schedule III thereto) are the same as or substantially the same as the alleged works of the plaintiff.
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- Para 10.4: The defendant denies having requested for or received any ‘technical’ drawings of the shoe cabinet which comprise of the plaintiff’s shelf profile from the plaintiff.
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- Para 11: In respect of para 10(j) of the statement of claim, without prejudice to the defendant’s rights to challenge the validity of the plaintiff’s registered design No MY14-00832-0101.
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- Para 11.5: While the defendant reserves its right to challenge and dispute the validity of the plaintiff’s registered design, the plaintiff had in fact applied for and obtained the plaintiff’s registered design under the Industrial Designs Act 1996.
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- Para 16: Save as hereinbefore specifically admitted, the defendant denies each and every allegation contained in the statement of claim as though the same were herein set out and traversed seriatim.
- H** [26] Based on the above, it is submitted for the plaintiff that the crux of its claim against the defendant is copyright infringement and before any question of law can be determined, the plaintiff ought to prove that: (a) the plaintiff’s copyrighted works are eligible for copyright; (b) the plaintiff is the rightful owner of its copyrighted works; and (c) the defendant had infringed the plaintiff’s copyrighted works, as per the case of *Honda Giken Kogyo Kabushiki Kaisha (also known as ‘Honda Motor Co, Ltd’) v DNC Asiatic Holdings Sdn Bhd & Ors and another suit* [2018] 9 MLJ 251; [2018] 9 CLJ 229 (*Honda’s case*).
- I**
- [27] I am of the view that the fact that the defendant does not admit the

plaintiff has a valid registered design is not relevant to the application. The fact is that the plaintiff has a valid registered design which the defendant is not seeking to invalidate in these proceedings.

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[28] I am also of the view that the plaintiff need not first prove that the defendant had infringed its copyright before the question of law can be determined. Section 7(5) is very clear and says that copyright shall not subsist under the Act in any design which is registered under any written law relating to industrial design. There is nothing to say that it must be proved that there is a case of infringement of copyright before s 7(5) can come into play. The *Honda's* case is one in breach of copyright. It does not have anything to do with s (5). It is not the authority for the proposition that before a defendant can rely on s 7(5), the plaintiff must prove an infringement of copyright. In any event, if the plaintiff proves an infringement of copyright, the issue is whether the plaintiff can claim copyright in respect of a registered design pursuant to s 7(5) of the Copyright Act. If the plaintiff does not prove an infringement of copyright, the plaintiff has no maintainable action. Therefore the issue is whether the plaintiff can claim dual protection in copyright and design law and it is not a pre-requisite for the plaintiff to first establish an infringement of copyright.

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[29] As such, any dispute of fact is not relevant and not necessary for the determination of the questions of law posed by the defendant, in particular, the first question of law, which is based simply on the pleadings of the plaintiff itself.

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[30] On this point, reference is made by the defendant to the High Court case of *Theow Say Kow @ Teoh Kiang Seng, Henry & Anor v Teoh Kiang Hong & Ors and another suit* [2014] 9 MLJ 32; [2013] 1 LNS 1383 which laid down the following principles:

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... Where the question for determination was a dominant feature of the case, the court ought to proceed to determine the question under O 14A. Although there was a factual dispute in the present suits regarding the ownership of some of the shares, that dispute did not affect, and was not relevant to, the applications. Although the applications did not in themselves conclude both the suits, the resolution of both applications determined a significant, if not the most significant, aspect of both actions (see paras 27, 32–33) ...

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[32] Ultimately, the view I took is that the questions that arose under the O 14A applications are purely legal ones and the facts necessary for the determination of these legal issues are predicated on matters that are not in dispute ie the winding up petitions in respect of the companies which were all presented in 2010 and the impugned share transfers which took place on 22 November 2012, without any court order to validate the same. As such, it was clear that although there was a factual dispute in relation to Madam Tan's ownership of the said shares in the

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A companies, that factual dispute was not relevant to and did not infect the Madam Tan's O 14A application ...

[31] Further reference is made to the case of *Oh Boon Thiam v Yan Ming Agricultural Sdn Bhd (Oh Yoke Choon & Anor, third party)*):

B As for the complaint that there were no agreed facts, that again I am unable to agree. It bears mention that the singular fact relied on by the second third party in support of the question of law is based on the plaintiff's own averment in the statement of claim that the designs have been registered under the Industrial Designs Act. In the premises, the plaintiff's argument that the relevant facts are in dispute does not hold water.

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[32] Another issue raised by the plaintiff is that its registered design No MY 14-00832-0101 is narrower in scope than the plaintiff's alleged copyrighted works.

D [33] However, based on the plaintiff's own averments in the statement of claim, the alleged copyrighted works are for 'part of frame and shelves'.

E [34] The plaintiff's such pleaded description of 'part of frame and shelves' is exactly identical with the protected article as registered under the plaintiff's registered design. This can be clearly seen in the Certificate of Registration of the plaintiff's registered design.

F [35] In any event, even if I were to accept that the plaintiff's registered design is narrower in scope than the plaintiff's alleged copyrighted works, that is not the point. The point is that the subject matter of the alleged infringement pleaded is the defendant's 'infringing shelf profile' which the plaintiff has pleaded is the same as the plaintiff's registered design, which therefore would attract no copyright protection under s 7(5) of the Copyright Act. I am in agreement with the defendant's submission that as long as what the defendant is alleged to have infringed is covered by a registered design and thus excluded from copyright protection, it is irrelevant even if the plaintiff has a copyright that is larger in scope than the registered design. However, since the plaintiff is contending that its registered design is narrower in scope than its alleged copyrighted works, the second question of law is not appropriate. Learned counsel for the defendant has recognised this and has withdrawn the second question of law from the consideration of the court.

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I [36] Lastly, the plaintiff contends that s 7(5) of the Copyright Act does not stipulate that copyright in the original work of art, which is an artistic work in the form of drawing (in this case technical drawings) has lost its copyright. There is nothing to suggest that a copyright gained by an author is terminated or destroyed at some later date. It is submitted for the plaintiff that s 13B of the

Copyright Act supports this proposition.

A

[37] Section 13B of the Act provides the effect of exploitation of a design derived from artistic work. The said section stipulates the circumstances and protection offered for designs derived from artistic work:

B

(a) this section applies where an artistic work has been exploited, by or with the license of the copyright owner by:

(i) making, by an industrial process or means, articles falling to be treated for the purpose of this Act as copies of the work; and

C

(ii) marketing such articles in Malaysia or elsewhere; and

(b) after the end of the period of twenty-five years from the end of the calendar year in which such articles are first marketed, the work may be copied by making articles of any description, or doing anything for the purpose of making articles of any description, and anything may be done in relation to articles so made, without infringing copyright in the work.

D

[38] The plaintiff relied on certain passages from the book *Copyright Law in Malaysia* by Professor Khaw Lake Tee. The following passages are quoted:

E

An artistic work incorporating a design may also be registrable under the Industrial Designs Act 1996, the effect was to enable a design to be protected under either copyright or design law or both.

Section 7(5) provides that copyright shall not subsist in any design which is registered under any written law relating to industrial design. 'Design' is not defined but presumably, it refers to one which is a copyright work, be it a drawing or a three-dimensional artistic work, as well as a design within the meaning of the industrial designs act 1996.

F

Essentially, section 13B spells out the legal implications consequent upon the industrial exploitation of an artistic work. That is to say, once the copyright owner has made, by an industrial process or means, artistic which are copies of the artistic works, and marketed such artistic in Malaysia or elsewhere, he is entitled to enjoy full copyright protection for only 25 years calculated from the end of the calendar years in which such articles were first marketed.

G

By the terms of Section 13B(1)(a), it would appear to suggest that notwithstanding the express intention of Section 7(5) to exclude registered design from copyright, and that of Section 13A to limit the copyright of industrial applied design these design do in fact, in the final analysis, enjoy full copyright protection for at least 25 years after the design have been applied in the making of articles.

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[39] As a matter of fact, the court in *Oh Boon Thiam* has also considered the scope and application of s 13B. The court held that the section only applies to 'artistic work' which is non-registrable as industrial designs (and the court gave Barbie dolls or Hello Kitty dolls as express examples). The fact that the plaintiff

- A has registered its alleged works as industrial design takes the said works or designs out of the scope of s 13B of the Copyright Act 1987.

[40] This is what the court in *Oh Boon Thiam* held:

- B [24] Since the plaintiff's designs have been registered under the Industrial Designs Act, it is clear that the plaintiff was himself of the view that his drawings of those two designs were of 'industrial designs' and not 'artistic works' within the definition of s 7(1) of the Copyright Act which sets out the list of works eligible for copyright protection. The fact that the Registrar of Industrial Designs had found fit to accept the plaintiff's designs for registration further confirms that they are indeed industrial designs.

- C [25] The provisions of a sub-s 5 of s 7 itself, leave no room for doubt that once the owner of a design has elected to regard his design as an industrial design and obtain protection by way of registration under the Industrial Designs Act 1996, no copyright of the design can subsist under the Copyright Act 1987.

- D [26] This position is in fact further clarified by s 13A(1)(a) of the Copyright Act which specifically excludes the making of an article to the design (of a design document), or to copy or to reproduce an article made to the design from being regarded as an infringement of any copyright.

- E [27] *En passant*, it must be highlighted that the wordings of s 3B of the Copyright Act restricts its application to 'artistic work' — which the industrial designs in this case are not. Thus, s 13B serves to protect the copyright in artistic works for a period of 25 years and does not assist the plaintiff in this case. Common examples of artistic works covered under s 13B would be famous dolls such as 'Barbie' dolls or 'Hello Kitty' dolls—which would not be registrable under the Industrial Designs Act.

- F [28] I therefore hold that it is clear that pursuant to s 7(5) registered designs are excluded from copyright. Section 13B does not avail the plaintiff as it applies only to drawings that are artistic works. The determination of s 7(5) in favour of the defendants and the third parties renders the plaintiff's action for copyright unmaintainable.

- G [41] It is also interesting to note that the views of the learned author Professor Khaw Lake Tee that, notwithstanding the express intention of s 7(5) to exclude registered design from copyright, these designs do in fact, in the final analysis, enjoy full copyright protection for at least 25 years after the designs have been applied in the making of articles do not appear in the more recent edition of her book.

- H [42] In the 2017 Ed, this is what the learned author says:

- I With the deletion of section 7(6) by the Copyright (Amendment) Act 2012, the position appears to be that the owner of a design has the option of protecting his design either under the Industrial Designs Act 1996 or as a copyright work. Where design registration is sought, then copyright protection is not available; there is no dual protection. In *Oh Boon Thiam v Yan Ming Agricultural Sdn Bhd; Oh Yoke Choon*

& Anor (Third Parties), the plaintiff who was the proprietor of the registered designs for a water sprinkler and clipper, attempted to argue that his registered designs also enjoyed concurrent copyright protection. The court dismissed this argument holding that section 7(5) excluded registered designs from copyright protection. That there is no dual protection is further confirmed by the deletion of the problematic section 13C by the Copyright (Amendment) Act 2012. Basically, that section provided a defence in copyright for acts done in reliance of registration of designs, a defence that would be needed if there was dual protection under design and copyright law.

[43] It can be seen that the current view of the learned author is that there is no dual protection under design and copyright law.

[44] Furthermore, the plaintiff's contention that the facts of *Oh Boon Thiam* can be distinguished from the present case merely because the applicant of the O 14A application therein was a third party is without merit. The fact that the question was posed by a third party (as opposed to the defendant here) cannot change the answer to the same question.

[45] Accordingly, I would proceed to answer the first question of law in the negative. In light of s 7(5) of the Copyright Act 1987, the plaintiff cannot maintain the present action which is premised upon a claim for copyright infringement in respect of an alleged work which is the subject matter of an industrial design registered in the name of the plaintiff.

[46] I will however not answer the second question of law since it has been withdrawn by the defendant. I stress that the plaintiff's contention that its registered design is narrower in scope than the alleged copyrighted works is not the point. The point is that the plaintiff has pleaded in para 10(j) of its statement of claim that the shape and configuration of the defendant's 'infringing shelf profile' are the same as or substantially identical to the plaintiff's registered industrial design. Since there is no dual protection under design and copyright laws, the plaintiff cannot maintain an action for copyright infringement in respect of the defendant's 'infringing shelf profile'.

[47] In view of the answer to the first question of law posed herein, the plaintiff's case is not maintainable and I would dismiss it with costs of RM10,000 subject to allocator.

First question answered in negative.

Reported by Nabilah Syahida Abdullah Salleh